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INDO-PACIFIC MONITOR

This publication is a monthly analytical survey of developments and policy trends that impact India's interests and define its challenges across the extended Indo-Pacific maritime space, which has become the primary theatre of global geopolitical contestation. It is authored by Cmde. Lalit Kapur (Retd.), DPG Senior Fellow for Maritime Strategy based on open source reports and publications. Your comments and feedback may be addressed to Jayantika at jayantika@dpg.org.in. To subscribe, please <u>click here</u>.

Cover Image:

Prime Minister Narendra Modi and Italian Prime Minister Giorgia Meloni at Rashtrapati Bhavan, New Delhi, March 02, 2023. Source: Italian Government Presidency of the Council of Ministers.

IN Ships Participate in the Theatre Level Exercise TROPEX23 in the Arabian Sea, March 2023. Source: PIB

Prime Ministers Narendra Modi and Anthony Albanese at Hyderabad House on March 10, 2023. Source: PIB

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INDO-PACIFIC MONITOR Volume IV, Issue 3 March 2023

Contents

Abstract	1
The India Italy Strategic Partnership	2
The First India Australia Summit	6
The Kishida Visit to New Delhi	10
The Sixth Quad Ministerial Meeting	13
The Japan South Korea Summit	15
The Russia China Summit	18
Other Indo-Pacific Developments	21



INDO-PACIFIC MONITOR

March 2023

Abstract

The month witnessed a sharp increase in high-level engagements as nations reached out to India. At the leaders' level Italian Prime Minister Georgia Meloni visited New Delhi on March 2-3, making Italy India's 31st strategic partner and delivering the keynote address at the annual Raisina Dialogue. Australian Prime Minister Anthony Albanese followed, visiting India for the first annual India-Australia Summit, which was held on March 10. Third was a visit by Japanese Prime Minister Kishida Fumio to New Delhi from March 20-21.

Other high-level interactions included the AUKUS Leaders' Meeting at San Diego on March 13, wherein they announced an ambitious plan to transfer nuclear submarine construction technology to Australia. On March 16, South Korean President Yoon Suk Yeol visited Tokyo to bring an end to the Japan-South Korea estrangement of the last few years and work out modalities to strengthen bilateral cooperation. China's President Xi Jinping visited Moscow for his 40th meeting with President Vladimir Putin, resulting in two joint statements, one on strengthening the bilateral cooperation plan that envisages more than doubling their annual trade from the \$ 190 billion at present to over \$ 400 billion by 2030. The US, Republic of Korea, Costa Rica, the Netherlands and Zambia jointly hosted the second Summit for Democracy virtually on March 29-30.

The G-20 Foreign Minister's meeting held in New Delhi on March 2 was followed by the sixth Quad Ministerial Meeting on March 3. The Japan-Indonesia Ministerial Strategic Dialogue in Tokyo followed on March 6. On March 9, US Secretary of Commerce Gina Raimondo visited New Delhi and the two sides agreed to launch a bilateral Strategic Trade Dialogue. On March 11, Canada and the US held their first Indo-Pacific dialogue to coordinate implementation of their respective strategies for the region.

An agreement was announced on March 10, in terms of which the Kingdom of Saudi Arabia and the Islamic Republic of Iran would resume diplomatic relations and their Foreign Ministers would meet to discuss means of enhancing relations and bring about regional peace and security. The



agreement remains to be ratified by the countries concerned. It does, nevertheless, increase Chinese influence in West Asia. On March 20, the UN spokesperson announced that parties to the conflict in Yemen had agreed to an implementation plan for the release of 887 conflict-related detainees from all sides, holding out hopes for a return of peace to the region.

Delegates to the Intergovernmental Conference on Marine Biodiversity of Areas beyond National Jurisdiction (BBNJ), reached agreement on the text of a global treaty to ensure conservation and sustainable use of marine biological diversity on the High Seas, capping a process of negotiation that began in 2004.

The Indian Navy's largest operational readiness exercise, TROPEX, culminated in the Arabian Sea on March 9. India participated in Exercises Shinyu Maitri and Dharma Guardian with Japan; in the maiden Exercise FRINJEX as well as Exercise La Perouse with France; Exercise Konkan 2023 with the Royal Navy; Exercise Sea Dragon with the US in Guam, and in the International Maritime Exercise and Exercise Cutlass Express in the Gulf Region. The US and South Korea conducted their largest exercise of the last five years from March 13-23. The PLA (N) and the Russian Navy joined Iran in an exercise in the Gulf of Oman from March 15-19.

North Korea fired a variety of missiles ranging from cruise missiles to ICBMs, signalling annoyance with growing US-Republic of Korea military cooperation. A British warship seized missiles shipped by Iran in the Gulf region on March 02. China's Coast Guard expelled Japanese fishing vessels from the vicinity of the Senkaku Islands for the second time on March 16. USS Milius carried out a Freedom of Navigation Operation off the Paracel Islands on March 23 & 24. A 2500-man US Marine Corps contingent began a seven-month rotational deployment at Darwin on March 22.

The India Italy Strategic Partnership

Weeks after meeting her Japanese counterpart and upgrading Italy's relations with Japan to a strategic partnership¹, Italian Prime Minister Giorgia Meloni travelled to New Delhi from March 2-3, 2023 and made Italy India's 31st strategic partner. India and Italy celebrate the 75th anniversary of the establishment of bilateral diplomatic relations this year. The relationship, though cordial, has

¹ Meeting with Prime Minister Kishida of Japan – President Meloni's Press Statement, January 10, 2023, <u>https://www.governo.it/en/articolo/meeting-prime-minister-kishida-japan-president-meloni-s-press-statement/21501</u>



been associated in the public eye more with scams² than a productive partnership. Bilateral trade amounted to \$13.2 billion in 2021-22 and just over \$10.5 billion in the period April – December 2022³. Italy is not among India's top 15 investment partners. The Indian diaspora number around 203,000 persons⁴, about 0.3% of Italy's population and 0.6% of India's overseas citizens. Although a popular tourist destination, Italy is not known for hosting large numbers of Indian students. Defence relations too have remained limited, though the role of Italy's Fincanteiri in the design of INS Vikrant must be acknowledged. So what prompts this Italian interest in India?

The Joint Statement issued during the visit is spread over nine pillars: Economic Cooperation, Trade and Investment; Defence Cooperation; Combating Extremism and Countering Terrorism; Space Cooperation and Cyber Security; Science, Technology and Education; the Health Sector; Culture, Tourism and People-to-People Exchanges; Multilateral Forums; and EU-India Relations⁵. Significant outcomes of the visit were elevation of India-Italy ties to "Strategic Partnership"; Italy joining the Indo-Pacific Oceans Initiative (IPOI) under the Science, Technology and Academics Cooperation pillar (Singapore had already joined under this pillar earlier); the declaration of intent on Migration and Mobility; a declaration of intent on defence cooperation; and the announcement of the India-Italy Start Up Bridge.

An advanced industrial nation and a member of the G-7, Italy currently has the world's 12th largest economy⁶, with a GDP of just over \$ 1.99 trillion at current prices. Its economic focus has historically been the Atlantic; even today, its top trading partners are Germany, France, the US, Switzerland and UK. China is, however, its second biggest source for imports, after Germany. On the security front, Italy is a member of NATO. Its focus has been the Mediterranean and immediately adjacent areas, including North Africa, the Red Sea and the Persian Gulf. It hosts the Headquarters of the EU's Mediterranean naval

² Stemming from the Bofors gun, Westland Helicopter and Snamprogetti fertiliser project scandals.

³ Export Import Data Bank, Ministry of Commerce and Industry, <u>https://tradestat.commerce.gov.in/eidb/default.asp</u>

⁴ Population of Overseas Indians, <u>https://www.mea.gov.in/population-of-overseas-indians.htm</u>

⁵ India-Italy Joint Statement during the State Visit of the President of the Council of Ministers (Prime Minister) of the Italian Republic to India (March 02-03, 2023), <u>https://mea.gov.in/bilateral-</u> <u>documents.htm?dtl/36318/IndiaItaly_Joint_Statement_during_the_State_Visit_of_the_Presi</u> <u>dent_of_the_Council_of_Ministers_Prime_Minister_of_the_Italian_Republic_to_India_Mar</u> <u>ch_0</u>

⁶ International Monetary Fund, GDP Current Prices, https://www.imf.org/external/datamapper/NGDPD@WEO/OEMDC/ADVEC/WEOWORLD



operations force (EUNAVFOR-MED) in Rome and the US Navy's Sixth Fleet in Naples.

In March 2019, Italy's search for investment funds led then Prime Minister Giuseppe Conte's to sign a MoU to join China's Belt and Road Initiative⁷, becoming the first G-7 country to do so. The change of government in February 2021 and strong opposition from G-7 partners led to the Mario Draghi government effectively freezing BRI cooperation, though China continued to portray Italy as hoping to "push forward Belt and Road construction with China" and "strengthen cooperation in energy, industry and third party market"⁸. The MoU is due for automatic renewal in March 2024 unless one side gives notice of termination three months in advance. On the campaign trail, Giorgia Meloni had said she will not renew the MoU, supported Taiwan and strongly voiced her belief that Italy must maintain its strong ties with the US⁹. A notice to terminate the MoU will result in China retaliating, including through economic coercion. It is, therefore, natural for Italy to prepare the ground.

In parallel, Italy's partners in the G-7, EU and NATO have voiced decisive concern about China, its behaviour and global aspirations. The Cornwall G-7 Summit in June 2021 not only agreed to consult on collective approaches to challenge China's non-market policies and practices that undermined the fair and transparent operation of the global economy, but also called on China to respect human rights and fundamental freedoms, including in Xinjiang and Hong Kong¹⁰. It also sought peace and stability across the Taiwan Strait and strongly opposed unilateral attempts to change the status quo in the East and South China Seas. The spokesperson in China's Embassy at London was quick to point out, "the days when global decisions were dictated by a small group of countries are long gone"¹¹. The EU-China Summit of April 2022 failed to produce a joint statement, as in June 2020. Reflecting the Gulf between the two sides, EU High Representative for Foreign Affairs and Security Policy said

⁷ Memorandum of Understanding Between the Government of the Italian Republic and the Government of the People's Republic of China on Cooperation within the Framework of the Silk Road Economic Belt and the 21st Century Maritime Silk Road Initiative, https://www.governo.it/sites/governo.it/files/Memorandum_Italia-Cina_EN.pdf

⁸ Wang Yi Speaks with Italian Foreign Minister Luigi Di Maio on the Phone, <u>https://www.fmprc.gov.cn/mfa_eng/gjhdq_665435/3265_665445/3311_664600/3313_66460</u> <u>4/202106/t20210622_9169330.html</u>

⁹ Meloni scorns the BRI and looks West (for sanctions compensation), 23 September 2022, <u>https://decode39.com/4347/meloni-bri-china-taiwan-us-sanctions-compensation/</u>

¹⁰ Carbis Bay G7 Summit Communiqué, https://www.consilium.europa.eu/media/50361/carbis-bay-g7-summit-communique.pdf

¹¹ Embassy Spokesperson's Remarks on the So-called "Rules-based international system" Advocated at the G7 Summit, <u>http://www.chinese-</u> embassy.org.uk/eng/PressandMedia/Spokepersons/t1883513.htm



of the Summit, "... the dialogue was everything but a dialogue. In any case, it was a dialogue of the deaf"¹². He added, "... most of you will agree that our relations with China are not where we would like them to be. Given China's increasing assertiveness, both at home and abroad, it is clear that we do not share the same political values"¹³. And NATO's Madrid Summit in June 2022 adopted the new NATO Strategic Concept¹⁴, which identifies China's stated ambitions and coercive policies as a threat and expanded the NATO remit to Africa and the Asia-Pacific.

It is in this context that Italy's outreach to the Indo-Pacific should be seen. As highlighted by Vincenzo de Luca, Italy's Ambassador to New Delhi, "The Indo-Pacific produces around 60% of the world GDP, hosts three of the largest economies and is a vital hub of technological innovation. Moreover, it contributes to two-thirds of global growth and by 2030, 90% of the new middle class will come from that area"¹⁵. Italy, along with its European partners, is aware that its economic and security future will be shaped in the Indo-Pacific. Although lacking the heft to chart out an independent course, it can contribute substantially to the European strategy for the region. So Italy has, in recent times, become ASEAN's developmental partner¹⁶, teamed up with Japan and the UK in the Global Air Combat Programme to develop a sixth generation stealth fighter to enter service in 2035¹⁷, and entered into strategic partnerships with Japan and India.

What should India expect to gain from this partnership? Not much by way of enhanced military presence in the region, notwithstanding reports regarding the deployment of one of Italy's newest patrol vessels in the Indo-Pacific¹⁸. The OPV Morosino, when it is deployed, will help in tackling non-traditional threats to security, probably in the Red Sea, with occasional forays into South and

¹² EU-China Summit: Speech by High Representative /Vice President Josep Borrell at the EP plenary, <u>https://www.eeas.europa.eu/eeas/eu-china-summit-speech-high-representativevice-president-josep-borrell-ep-plenary_en</u>

¹³ Ibid.

¹⁴ NATO 2022 Strategic Concept, <u>https://www.nato.int/nato_static_fl2014/assets/pdf/2022/6/pdf/290622-strategicconcept.pdf</u>

¹⁵ Vincenzo de Luca, "Indo-Pacific Beckons", January 23, 2023, <u>https://indianexpress.com/article/opinion/columns/italian-ambassador-writes-the-role-italy-can-play-in-the-indo-pacific-region-8398135/</u>

¹⁶ Overview ASEAN-Italy Development Partnership, <u>https://asean.org/wp-content/uploads/2021/11/Overview-ASEAN-Italy-Development-Partnership-as-of-November-2021-ERD3-fn-1.pdf</u>

¹⁷ PM announces new international coalition to develop the next generation of combat aircraft, December 09, 2022, <u>https://www.gov.uk/government/news/pm-announces-new-international-coalition-to-develop-the-next-generation-of-combat-aircraft</u>

¹⁸ Rome steps up Indo-Pacific engagement by sending patrol vessel, 22 February 2023, <u>https://decode39.com/5923/italy-morosini-ship-indo-pacific/</u>



Southeast Asia. Italian contribution by way of equipment supplies will also be somewhat limited: though Italy does have two of the world's 100 largest defence manufacturers in Leonardo (formerly Finmeccanica) and Fincanteiri and the contribution of Fincantieri in the design of INS Vikrant is important, it may be some time before Italy can make significant defence sales to the region. What Italy can do is strengthen India's industrial capability, join France in providing India a window into the EU through an economic partnership, and work with India in multilateral fora, including the G7 (Italy will take over from Japan as the Chair in 2024) and G20. It is here that the potential of the India-Italy strategic partnership lies.

The First India Australia Summit

The India – Australia virtual summit on March 21, 2022 had resulted in the leaders committing to "holding Annual Summits to drive closer cooperation"¹⁹. The first of these annual summits took place on March 10, 2023, during the State Visit of Australian Prime Minister Anthony Albanese to India. The team accompanying the Prime Minister for the visit comprised Senator Don Farrell, Australia's Minister for Trade and Tourism²⁰; Ms. Madeline King, the Minister for Resources and Northern Australia; senior officials; 25 senior business leaders and 34 leaders of Australia's clean energy industries²¹.

The schedule was packed with events. Albanese began in Ahmedabad, arriving there on March 08 and visiting the Sabarmati Ashram and attending a cultural programme at the Raj Bhavan. He and Prime Minister Narendra Modi witnessed the beginning of the 4th India-Australia Cricket Test Match the next morning. Thereafter, Albanese flew into Mumbai, addressed a Round Table Discussion at the Australia-India CEO Forum, addressed a Wonders of Australia event at the Taj Mahal Hotel and became the first foreign dignitary to visit INS Vikrant, India's new aircraft carrier, where he predicted that "2023 will be busier than ever for our defence cooperation"²². On March 10, apart from ceremonials at Rashtrapati Bhavan and Raj Ghat, Albanese called on the President Smt Droupadi Murmu, was called-on by India's External Affairs Minister, Dr. S. Jaishankar, and met Prime Minister Narendra Modi for the Annual Summit. He

²⁰ State Visit of Prime Minister of Australia to India (March 8-11, 2023), <u>https://www.mea.gov.in/press-</u> <u>releases.htm?dtl/36325/State_Visit_of_Prime_Minister_of_Australia_to_India_March_0811_</u> <u>2023</u>

¹⁹ Joint Statement: India-Australia Virtual Summit, March 21, 2022, <u>https://mea.gov.in/bilateral-documents.htm?dtl/35008/</u>

²¹ Doorstop New Delhi Transcript, 11 March 2023, <u>https://www.pm.gov.au/media/doorstop-new-delhi</u>

²² Remarks – INS Vikrant, Transcript, 09 March 2023, https://www.pm.gov.au/media/remarks-ins-vikrant



also visited IIT Delhi and outlined his vision of how to take the bilateral relationship forward²³.

A voluminous 50-paragraph joint statement summarises the outcomes of the summit and the state of India-Australia relations across five pillars²⁴: Economic and Trade Cooperation; Climate, Energy, Science, Technology and Research Cooperation; Defence and Security Cooperation; People-to-people ties; and Regional and Multilateral Cooperation. Outcomes included the Audio-visual Co-production Agreement between the two countries; a Memorandum of Understanding on Cooperation in Sports; a Letter of Intent for furthering cooperation in innovation and finalisation of the Terms of Reference for the India-Australia Solar Taskforce. The Australian Prime Minister announced the appointment of Tim Thomas as the Inaugural CEO of the Centre for Australia India Relations²⁵, which will open later this year and work across government, industry, academia and the community to build greater understanding of the bilateral relationship, support new opportunities for collaboration, promote policy dialogue, build India business literacy and connections, administer the flagship Maitri programme of scholarships and deepen cultural understanding.

There were a few jarring notes. The most obvious must be inclusion of "the importance of protecting the safety and security of the Indian community in Australia, and ensuring continued harmony" in the Joint Statement²⁶. Prime Minister Modi noted in his Press Statement, "It is a matter of regret that attacks on temples have been regularly reported in Australia over the past few weeks. It is natural that such news worries the people in India and disturbs our mind. I have shared these feelings and concerns of ours with Prime Minister Albanese"²⁷.

Also, the media posed uncomfortable questions during Albanese's predeparture Press Brief on March 11, 2023 related to India's relations with Russia and position on Ukraine, his assurances on the protection of Hindu temples in

²⁷ English Translation of Prime Minister Shri Narendra Modi's Press Statement at the Joint Press Meeting with the Prime Minister of Australia, March 10, 2023, <u>https://www.mea.gov.in/Speeches-</u> <u>Statements.htm?dtl/36339/English_Translation_of_Prime_Minister_Shri_Narendra_Modis_</u> <u>Press_Statement_at_the_Joint_Press_Meeting_with_the_Prime_Minister_of_Australia</u>

²³ Speech, Indian Institute of Technology, 10 March 2023,

https://www.pm.gov.au/media/indian-institute-technology

²⁴ 1st India-Australia Summit: Joint Statement (March 10, 2023), <u>https://www.pm.gov.au/media/joint-statement-1st-australia-india-annual-summit</u>

²⁵ Appointment of Tim Thomas as Inaugural CEO of Centre for Australia India Relations, <u>https://www.pm.gov.au/media/centre-australia-india-relations-ceo</u>

²⁶ 1st India-Australia Summit: Joint Statement (March 10, 2023), <u>https://www.pm.gov.au/media/joint-statement-1st-australia-india-annual-summit</u>



Australia, and the BBC controversy²⁸. Albanese handled them adroitly, focusing on the building of the relationship and avoiding any remarks that could be misconstrued. He spoke of the fact that the Prime Ministers would meet again when Australia hosted the Quad Summit in May, he would then return to New Delhi for the G20 Summit in September, and noted he had been invited by Prime Minister Modi to visit other parts of India in winter this year.

On the Defence and Security front, the leaders underscored their commitment to strengthening ties to address shared challenges and work towards an open, inclusive, stable and prosperous Indo-Pacific. They supported the convening of the 2 + 2 dialogue this year, as well as the meeting of Defence Ministers of the two countries. Recognising the growing frequency and complexity of bilateral exercises, they acknowledged the benefits of the bilateral Mutual Logistics Support Agreement on increasing interoperability and welcomed arrangements to enhance Maritime Domain Awareness. They agreed on continuing the conduct of aircraft deployments from each other's territory to build operational familiarity and enhance MDA. They welcomed Australia's hosting of Exercise Malabar for the first time in August 2023. They also welcomed commencement of the inaugural General Rawat India-Australia Young Officer Defence Exchange Programme on March 1, 2023, under which 15 young Australian officers are in India, and 15 Indian officers will go to Australia in 2024. They appreciated the beginnings that had been made in defence industry cooperation and reiterated a common position on combating terrorism in all its forms.

China's action in Ladakh in June 2020 changed India's basic outlook towards that country, while Australia went through similar change following its call into an inquiry into the origins of COVID and China's subsequent economic coercion. Geopolitical and commercial convergences have, therefore, provided impetus to the transformation in India-Australia relations. Much, however, remains to be done before the decades of political and economic neglect, generated by different strategic outlooks, can be overcome. As a middle rung power with limited capability, Australia will remain tied to the US for its own security into the foreseeable future. This security dependence has been cemented by the AUKUS agreement announced in the US on March 13, 2023²⁹. India, on the other hand, remains attuned to retaining its strategic

²⁸ Doorstop New Delhi Transcript, 11 March 2023, <u>https://www.pm.gov.au/media/doorstop-new-delhi</u>

²⁹ For an overview, see Lalit Kapur, "Deciphering AUKUS", DPG Policy Brief Volume VIII Issue 13, March 21, 2023,

https://www.delhipolicygroup.org/uploads_dpg/publication_file/deciphering-aukus-4869.pdf



autonomy and issue-based partnerships. It is the ability to manage this divide and not give in to the "with us or against us" outlook that will determine the future of India-Australia relations.

Where can the two act together to maximise their convergence? Three priority areas come to mind. The first is people-to-people ties and improving understanding of each other's outlook. Among the most promising areas for this is education, with two Australian universities expected to open campuses near Ahmedabad, in Gujarat³⁰. A Framework Mechanism for mutual recognition of qualifications was signed a week before the Albanese visit³¹. Increased exchanges at the political, official and military levels are already happening and these will enable understanding of each other's positions.

The second is defence and security cooperation. As middle powers, the reach and sustainability of both countries is limited. Measures put in place to enhance domain awareness, information and intelligence cooperation, mutual logistics support and reciprocal access to each other's facilities contributes substantially to enhancing the capability of both. The commitment to continuing deployment of aircraft from each other's territory will support domain awareness in the Indian Ocean, interoperability and mutual understanding. This is particularly significant in the Straits connecting the Pacific and Indian Oceans, which act as a natural choke point and enable picking up of PLA (Navy) units, including submarines, transiting these straits. India and Australia possess island territories that can be effectively exploited towards this end.

A third area is regional coordination in multilateral and minilateral fora, including ASEAN-centric mechanisms, IORA and the Quad. This can not only contribute to better governance of the vast Indian Ocean, but also support capability building enabling regional nations to better manage their maritime zones and curb illegal transnational activity. India and Australia could do more to build trilateral cooperation organisations, with France, Indonesia and perhaps UK, to better manage the Indian Ocean.

Cooperation between India and Australia continues to grow. Given the potential synergy between Australia's resources and India's markets, as well as their geographical locations astride all links between the Pacific and Atlantic Oceans, the scope for growth is immense. The foundations have been laid and

³⁰ Two Australian universities will soon establish campuses in the GIFT City of Gujarat, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1903465</u>

³¹ India and Australia sign a Framework Mechanism for Mutual Recognition of Qualifications, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1903710</u>



it will be for leaders of both countries to actualise this potential in the years ahead.

The Kishida Visit to New Delhi

A terse press release on March 10, 2023 announced that Japan's Prime Minister Kishida Fumio would pay an official visit to India on 20-21 March, 2023³². Kishida had made his first bilateral leader-level visit to New Delhi in March 2022. He and Prime Minister Narendra Modi had met during the Quad Leaders' Summit in Tokyo in May 2022, and again when the latter attended former Prime Minister Shinzo Abe's funeral in September 2022. The meeting was not projected as the annual leaders' summit: whether that occurs or not this year is an open question. The objective of this unscheduled visit to India thus aroused speculation.

In retrospect, the purpose of the visit appears to have been fourfold: first, to personally invite Prime Minister Modi to attend the 49th G-7 Summit at Hiroshima from May 19-21, 2023; second to demonstrate continuity in former Prime Minister Shinzo Abe's commitment to India to elements of the domestic constituency, third to discuss bilateral cooperation and finally to add to pressure on India to toe the Western line on Russia in the Ukraine crisis.

Notably, India has been invited to every G-7 Summit since 2019, the only nonmember so invited. Kishida briefed Modi about his priorities for the G-7. In turn, he received a detailed briefing on India's priorities for the G-20 summit to be held in September³³. Japan has committed to engaging with India on the multiple pressing challenges the international community faces, including food security, climate and energy, and fair and transparent development finance³⁴. The actual level of commitment will become visible during the May summit.

³² Official Visit of Prime Minister of Japan to India (March 20-21, 2023), <u>https://www.mea.gov.in/press-</u>

releases.htm?dtl/36340/Official_Visit_of_Prime_Minister_of_Japan_2021_March_2023
³³ Transcript of Special Briefing by Foreign Secretary on the Visit of Prime Minister of Japan to India (March 20, 2023), <u>https://www.mea.gov.in/media-</u> <u>briefings.htm?dtl/36382/Transcript_of_Special_Briefing_by_Foreign_Secretary_on_the_Visi</u>

briefings.htm?dtl/36382/Transcript_of_Special_Briefing_by_Foreign_Secretary_on_the_Visi_ t_of_Prime_Minister_of_Japan_to_India_March_20_2023

³⁴ Contributed Article by Prime Minister Kishida Fumio to the Indian Express, March 20, 2023, <u>https://japan.kantei.go.jp/101_kishida/statement/202303/_00011.html</u>

Volume IV, Issue 3 | March 2023



The late Shinzo Abe had unveiled his Indo-Pacific vision during his Confluence of the Seas speech to a joint session of India's Parliament in 2007³⁵. A similar joint session does not appear to have been on offer, so Kishida chose to speak at the Indian Council of World Affairs, where he had spoken as Japan's Foreign Minister in 2015 on how India and Japan should lead the world in the Era of the Indo-Pacific. The speech itself was divided into two parts: why FOIP was necessary now, and how Japan proposed to expand cooperation for FOIP³⁶.

The 'why now' component acknowledged that the unipolar era was over, the international balance of power had shifted, and the coming era was one in which cooperation and divisions would be intricately intertwined. A universally acceptable guiding perspective on what the international order should be was conspicuous by its absence. Kishida adduced an evolved FOIP concept, involving enhancement of connectivity in the Indo-Pacific; promoting a region that values freedom, the rule of law and is free from the use of force or coercion; and increased prosperity as the common guiding perspective for the region. He envisaged that Japan would enhance cooperation with the US, Australia, ROK, Canada, Europe and others, (describing India as 'indispensable'), and would expand networks among countries that shared the Indo-Pacific vision across ASEAN, Pacific Island countries, the Middle East, Africa, Latin America and the Caribbean.

He adduced four new pillars for cooperation for FOIP: Principles for Peace and Rules for Prosperity; Addressing Challenges in an Indo-Pacific way; Multilayered connectivity; and Extending Efforts for Safe Use of the Sea to the Air. To implement these four pillars, Japan would strengthen diplomatic efforts including by expanding its Overseas Development Assistance in various forms; introduce a new framework for private capital mobilization-type grant aid that would attract investments; amend JBIC Law to make it possible to invest in startups with overseas operations and thus incentivize private companies to grow in areas such as digital and decarbonisation technology while ensuring economic security; and mobilise a total of over \$75 billion for infrastructure in the Indo-Pacific by 2030. He ended by calling on India to become an indispensable partner in executing the vision.

³⁵ "Confluence of the Two Seas", Speech by H.E. Mr Shinzo Abe, Prime Minister of Japan at the Parliament of the Republic of India, August 22, 2007, <u>http://www.mofa.go.jp/region/asiapaci/pmv0708/speech-2.html</u>

³⁶ Policy Speech by Prime Minister Kishida Fumio at the Indian Council of World Affairs (ICWA), March 20, 2023, https://japan.kantei.go.jp/101_kishida/statement/202303/_00013.html



On the bilateral front, both sides projected the outlook as rosy, with discussions on security and defense, the economic partnership, climate and energy, people-to-people exchanges, skill development and innovation, etc. The outcomes, however, were only two³⁷. First was the exchange of notes for the fourth tranche of a loan of ¥ 300 billion for the Mumbai Ahmedabad High Speed Rail. No deadline was set for completion of the project. Second was a Memorandum of Cooperation in the field of Japanese Language Education in India. There has been visible progress in the people-to-people connectivity, investment and military engagement segments of the bilateral partnership. However, trade and technology cooperation (including defence technology) and regional engagement segments have lagged. Japan's world-view remains tied to that of the US-led west, an Asian identity has not yet evolved.

Kishida's repeated mentions of Ukraine struck a jarring note. That there is divergence between the views of India's leadership and that of Japan on how to address the crisis is evident. There is no condoning Russia's invasion of Ukraine; in fact even Kishida cited Prime Minister Modi as having told President Putin that this is not a time for war. Nevertheless, the war has happened, and Japan's prioritisation of western objectives over those of the Global South has not gone unnoticed. The hypocrisy in talking of rules and international law while ignoring the unilateral imposition of sanctions, the tardy and opaque investigation into sabotage of the NORDSTREAM pipelines and suffering imposed on the Global South on account of the spike in energy, food and fertiliser prices is evident.

The contrast between the earlier visit of the Australian Prime Minister (also a member of the Quad) and that of Prime Minister Kishida was stark. The content and symbolism of the Albanese visit, which included cultural, business, military (through the visit to INS Vikrant), educational and political elements was in sharp contrast to the limited content of Kishida's hurried visit. There was no joint statement. India remained silent on Kishida's "new" Indo-Pacific concept; the absence of endorsement speaks for itself. There was little to show on the bilateral cooperation front. The new Free and Open Indo-Pacific concept is a dream based on security provided by the US, with little thought to how it can be realised given the reality of great power competition in the region. How Japan proposes dealing with challenges such as freeing the Kurile Islands from Russia's control, or Takeshima from that of South Korea, or dealing with assertions in the East China Sea where China's Coast Guard is evicting

³⁷ List of Outcomes: Visit of Prime Minister of Japan to India, March 20, 2023, <u>https://www.mea.gov.in/bilateral-</u> <u>documents.htm?dtl/36379/List_of_Outcomes_Visit_of_Prime_Minister_of_Japan_to_India</u>



Japanese fishing vessels from the vicinity of the Senkaku Islands, or North Korea's missile testing remains unsaid.

In sum, the visit had all the indications of a damp squib. How this will impact India-Japan cooperation, particularly as both chair the G20 and the G7 respectively, remains to be seen.

The Sixth Quad Ministerial Meeting

"We intend to meet in person for the next Quad Foreign Ministers' Meeting in New Delhi in early 2023", said the closing lines of the Joint Readout of the Quad Ministerial Meeting in September 2022, on the side-lines of the 77th UN General Assembly in New York³⁸. In compliance with that commitment, the Quad Foreign Ministers met on March 03, 2023 and issued their third joint statement³⁹. They also participated in a session at the Raisina Dialogue.

Ministers Penny Wong, Yoshimasa Hayashi, Antony J. Blinken and Dr. S. Jaishankar reaffirmed their commitment to an inclusive, resilient, free and open Indo-Pacific and to principles such as freedom, the rule of law sovereignty and territorial integrity, peaceful settlement of disputes without the threat or use of force and freedom of navigation and overflight, and opposition to unilateral attempts to change the status quo. They also reaffirmed the objectives of the Quad: working as a force for good, practical cooperation on contemporary challenges such as health security, climate change and the clean energy transition, critical and emerging technologies, infrastructure and connectivity, addressing the debt crisis, space cooperation, cyber security, humanitarian assistance and cyber relief, maritime security, counterterrorism, etc. The unstated underlying objective was cooperation to provide public goods and thus not allowing China a free run and domination of these areas. They wisely refrained from framing the Quad as a military security partnership: that would have played into China's narrative of the Quad being an anti-China structure.

In terms of movement since the last meeting, the first Quad tabletop HADR exercise was held in India in December 2022. This will lead to finalisation of the Partnership's Standard Operating Procedure, streamlining HADR cooperation. There has been progress under the Indo-Pacific Partnership for

³⁸ Joint Readout of Quad Ministerial Meeting, September 23, 2022, <u>https://www.state.gov/joint-readout-of-quad-ministerial-meeting/</u>

³⁹ Joint Statement: Quad Foreign Ministers' Meeting, March 03, 2023, <u>https://www.mea.gov.in/bilateral-</u> <u>documents.htm?dtl/36323/Joint_Statement_Quad_Foreign_Ministers_Meeting</u>



Maritime Domain Awareness (IPMDA), designed to enable nations to better secure their maritime zones. A Quad Maritime Security Working Group is to meet for the first time in Washington DC in March 2023 to take this forward. There have been focused discussions on the use of emerging technologies such as Unmanned Aerial Systems and the internet and social media at the Quad Counter-Terrorism Policy Meeting and tabletop exercise hosted by Australia in October 2022. The ministers announced the establishment of the Quad Working Group on Counter-Terrorism, intended to explore cooperation between the Quad and Indo-Pacific partners to counter new and emerging forms of terrorism, radicalisation to violence and violent extremism. The first meeting of this group is to take place in the US in 2023. And selections for the first class of Quad Fellows has been completed; they will begin their academic pursuits in the US in August 2023.

The "issue-based partnership" continues to state a common position on numerous global issues: ASEAN centrality and unity; the Pacific Island Forum's 2050 Strategy for the Blue Pacific continent; cooperation with IORA; active and constructive engagement in the Inter-Governmental Negotiations process on Security Council Reforms; supporting meritorious and independent candidates for election to UN and international forums; the importance of UNCLOS and opposition to the militarisation of disputed features and the dangerous use of coast guard vessels, the maritime militia and efforts to disrupt other countries' exploitation of their offshore economic zones; the resolution of the Myanmar crisis; and North Korea's destabilising missile launches. It has also adopted a carefully structured position on the Ukraine crisis: agreeing that the use or threat of use of nuclear weapons is inadmissible, calling for a comprehensive, just and lasting peace, and reiteration that the rules-based international order must respect sovereignty, territorial integrity, transparency and peaceful resolution of disputes.

The congruence in positions of the Quad members was on display at their Foreign Ministerial Panel at the Raisina Dialogue. Penny Wong highlighted "there is no reshaping of the Indo-Pacific with the attributes Australia would seek without India"⁴⁰, noting that India brought a different perspective to some of the challenges of the times. Antony Blinken acknowledged that none of the challenges cold be addressed by any country alone, the Quad brought together

⁴⁰ Secretary Antony J. Blinken and Indian External Affairs Minister Subrahmanyam Jaishankar, Australian Foreign Minister Penny Wong and Japanese Foreign Minister Yoshimasa Hayashi At the Raisina Dialogue: Quad Foreign Ministers' Panel, March 3, 2023, <u>https://www.state.gov/secretary-antony-j-blinken-and-indian-external-affairs-ministersubrahmanyam-jaishankar-australian-foreign-minister-penny-wong-and-japaneseforeign-minister-yoshimasa-hayashi-at-the-raisina-dialo/</u>



four like-minded countries to tackle these challenges and was one of the most critical US vehicles for engagement with the region. Hayashi noted that so long as China abided with international norms, there was no conflict between it and the Quad. Dr. Jaishankar observed that the defining the Quad as being against China placed China at the centre, which was neither true nor desirable. The display of unity in the panel was impressive.

Though both Blinken and Hayashi both took pains to emphasise that the Quad was not a military security grouping, this will not convince China. The military element remains in the background, not just through Exercise Malabar (which will for the first time be hosted by Australia in August 2023), but also through the web of bilateral agreements that are enhancing domain awareness, intelligence sharing, reach, mutual logistics support and interoperability between the partners. Given regional sensitivities, it is not yet time to bring military cooperation to the forefront of Quad activities. Far more important is the creation of an enabling environment, of providing alternatives to China's thrust to win regional support through its economic lures backed by coercion.

In sum, the Quad appears to be on the right track, though faster movement would be desirable. It has gathered regional credibility, as is evident from fact that more than 50% of the respondents of a survey in Southeast Asia agreed that strengthening of the Quad is positive and reassuring for the region, barely 12% disagreed (notably, the disagreement was highest in Singapore, Thailand and Indonesia, though it did not exceed 20% anywhere). Nearly 69% though that ASEAN cooperation with the Quad would be beneficial for the region⁴¹. Clearly, the cooperative approach adopted by the Quad is regionally more appealing than the coercive one adopted by China.

The Japan South Korea Summit

The summit meeting between South Korean President Yoon Suk Yeol and Japanese Prime Minister Fumio Kishida this month held out the prospect of closure for a dispute that has rocked Japan ROK relations since the South Korean Supreme Court ruling of 2018. A press conference on March 6. 2023 saw Japan welcoming the solution but observing, "Nothing has been decided regarding future diplomatic schedule between the leaders of Japan and the

⁴¹ The State of Southeast Asia 2023 Survey Report, <u>https://www.iseas.edu.sg/wp-content/uploads/2025/07/The-State-of-SEA-2023-Final-Digital-V4-09-Feb-2023.pdf</u>



ROK"⁴². Barely ten days later, Yoon visited Tokyo for a meeting subsequently hailed as a big success⁴³.

The dispute stems from Japan's conscripting about 7.8 million Koreans for forced labour including military service and sex slavery during World War II. A bilateral agreement signed on June 22, 1965 resulted in Japan paying South Korea \$ 300 million as compensation and extending long term low interest developmental loans amounting to \$ 200 million⁴⁴. South Korea used the money provided for development but did not compensate the victims, who filed cases in court seeking compensation from Japan. The agreement had specified that no contention would be made by either contracting party on the property, rights and interests of the other contracting party within its jurisdiction arising from causes before the date of signing⁴⁵. However, in 2018, the South Korean Supreme Court held that while the 1965 treaty precluded state level claims, it did not extinguish the right of individuals to claim recompense for their pain and suffering. When Japan refused to pay, the court directed Nippon Steel and Sumitomo Metal Corporation to pay compensation to the victims, threatening seizure and liquidation of their assets in South Korea for this purpose. A series of tit-for-tat actions by the two countries led to sharp deterioration in Japan - South Korea relations.

President Yoon came into office determined to resolve the issue and mend relations with Japan. His solution, carefully negotiated, was that South Korean businesses benefiting from Japan's investment in South Korea from 1965 onwards would donate funds into a compensation account, which in turn would pay the victims. Yoon's visit to Tokyo signalled political acceptance of this solution.

In Tokyo, President Yoon met Prime Minister Kishida Fumio as well as 12 other prominent politicians, ten business leaders and numerous students at Keio University. The 85-minute interaction between the two leaders resulted in agreement that strengthening bilateral relations in the current strategic environment was an urgent task. They agreed to resume 'shuttle diplomacy' and make frequent visits to each other without being constrained by

⁴² Extraordinary Press Conference by Foreign Minister Hayashi Yoshimasa, Monday March 6, 2023, <u>https://www.mofa.go.jp/press/kaiken/kaiken22e_000108.html</u>

⁴³ Presidential office calls President Yoon's Japan trip 'big success', <u>https://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=320789&page=1</u>

⁴⁴ Agreement on the Settlement of Problems Concerning Property and Claims and on Economic Cooperation Between Japan and South Korea, Signed at Tokyo on June 22, 1965, <u>https://treaties.un.org/doc/Publication/UNTS/Volume%20583/volume-583-I-8473-</u> English.pdf

⁴⁵ Ibid.



formalities. They further agreed to normalise bilateral communication in a wide range of fields, including politics, economics and culture. The bilateral Security Dialogue, the Vice-Ministerial Strategic Dialogue and the high-level Japan-ROK-China process are to be resumed. Talks are to be launched on economic security to resolve issues such as strengthening supply chains and countering the outflow of sensitive technologies together⁴⁶.

The leaders also discussed the need to promote strategic cooperation. This includes strengthening deterrent and response capabilities of both against North Korea, as well as promoting security cooperation between Japan, ROK and the US. They confirmed the importance of realising a Free and Open Indo-Pacific and agreed that like-minded countries should work together to uphold a free and open international order based on the rule of law⁴⁷.

Domestic politics in South Korea may still put a spoke in the wheel; some forced labour victims have insisted that compensation come from Japan. Yoon, however, appears confident and can be expected to find a way to overcome domestic issues. He will be helped by US statements⁴⁸ hailing the solution⁴⁹. China, on the other hand, continued trying to foment division. Its spokesperson observed that forced recruitment and enslavement of labourers was a grave crime against humanitarian law committed by the Japanese militarism during its colonial rule against the people of Asian countries and called on Japan to show remorse for its historical crimes and respect for the victims through concrete actions⁵⁰.

At this stage, the normalisation of ties is just an agreement. Much will depend on Yoon's ability to sell it within his country, displaying the benefits to overcome vested interests. This will impact how rapidly both countries move to execute what they have agreed, strengthening their bilateral relations, the US-backed regional security architecture and their ability to jointly take on the North Korean challenge. The Japan – ROK rapprochement will complicate

⁴⁶ Japan-Korea Summit Meeting, March 16, 2023,

https://www.mofa.go.jp/mofaj/a_o/na/kr/page1_001529.html 47 Japan – Korea Joint Press Conference,

https://www.kantei.go.jp/jp/101_kishida/statement/2023/0316kaiken.html ⁴⁸ Statement from President Joe Biden on Japan=ROK Announcement, March 05, 2023, <u>https://www.whitehouse.gov/briefing-room/statements-releases/2023/03/05/statement-from-president-joe-biden-on-japan-rok-announcement/</u>

⁴⁹ The Historic Announcements by the Governments of the Republic of Korea and Japan, March 5, 2023, <u>https://www.state.gov/the-historic-announcements-by-the-governmentsof-the-republic-of-korea-and-japan/</u>

⁵⁰ Foreign Ministry Spokesperson Mao Ning's Regular Press Conference on March 6, 2023, <u>https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/202303/t20</u> 230307_11036582.html



China's calculations as it moves to stamp its authority on the region and Taiwan, but may not be sufficient to deter action.

The Russia China Summit

China's President Xi Jinping met Russian President Vladimir Putin in Moscow on March 20 & 21, 2023. Although this was their 40th meeting, it could well be their most consequential one, defining the contours of a new global era.

China and Russia combined possess about 17.9% of the world's total land area, 19.7% of the world's population and 20.1% of the world nominal GDP. Both have a technologically well-developed industrial capability. Both are permanent members of the UN Security Council. As observed by President Xi, "The world is going through profound challenges unseen in a century ... The prevailing trends of world multi-polarity, economic globalisation and greater democracy in international relations are irreversible. ... Our world is confronted with complex and intertwined traditional and non-traditional security challenges, damaging acts of hegemony, domination and bullying, and long and tortuous global economic recovery"⁵¹. The Russia-China relationship has blossomed during the last decade, and the strategic convergence between the two poses an acknowledged challenge to the current unipolar US-centric world order.

The visit was marked by the two leaders publishing signed articles in each other's media. Xi's article⁵² provides an overview of how he and Putin have, over the last decade, transformed Russia – China relations resulting in bilateral trade exceeding \$ 190 billion in 2022. It speaks of adopting a new vision, a new blueprint and new measures including boosting bilateral trade, fostering greater convergence of interests and areas of cooperation and synergising the Belt and Road Initiative and the Eurasian Economic Union for the growth of the China-Russia Strategic Partnership. In an obvious reference to the US, it states, "The international community has recognized that no country is superior to others, no model of governance is universal, and no single country should dictate the international order". On the other hand, Putin's article notes, "We have reached an unprecedented level of trust in our political dialogue, our strategic cooperation has become truly comprehensive in nature and is standing on the brink of a new era" ⁵³. It observes the growth of trade

⁵¹ Forging Ahead to Open a New Chapter of China-Russia Friendship, Cooperation and Common Development, March 20, 2023,

https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202303/t20230320_11044359.html ⁵² Full text of Xi's signed article on Russian media, March 20, 2023,

https://english.news.cn/20230320/208baba76dc14ed78d308bfa32b9d4e2/c.html ⁵³ Vladimir Putin's Article for People's Daily Newspaper, "Russia and China: A Future-Bound

Partnership", <u>http://en.kremlin.ru/events/president/news/70743</u>



settlements in each other's national currency, speaks of the Power of Siberia pipeline and Russia's energy exports to China and seeks a more just multipolar world order based on international law rather than certain "rules" serving the needs of the "golden billion". The reference is obviously to unilateral actions by the US and allies, including sanctions and suspension of Russia from the SWIFT mechanism without regard to international law, sabotage of the NORDSTREAM II pipeline project and the disregard of WTO provisions, among others.

Two joint statements were released to the media, one on deepening the bilateral comprehensive strategic partnership and the other setting out the plan for China-Russia economic cooperation till 2030. For the former, the version on China's official website runs into 6338 words⁵⁴, while that on the Kremlin website is over 550 words longer⁵⁵. The differences, including in titles, could be due to nuances in interpretation of what was discussed, or just translation errors. What is common is that both comprise nine pillars: the China-Russia relationship, its underlying principles including mutual support for each other's core interests, the intent to promote multi-polarisation of the world, economic globalisation and democratisation of international relations; values, areas and methods of engagement and military cooperation including joint 'sea and air cruises', joint exercises and joint training; coordination of trade and investment in different areas; measures for enhancing people-to-people cooperation; cooperation in international fora; cooperation in plurilateral organisations; cooperation in WMD, AI and outer space; cooperation on climate change and biodiversity; and shared views on global hot spots, including the Korean Peninsula and the Middle East, as well as on the UN and NATO.

The economic cooperation plan to 2030 comprises eight thrust areas⁵⁶. The first is trade and investment facilitation to expand the scale of trade, optimise the trade structure, develop e-commerce and other innovative cooperation models and promote high quality investment cooperation. Second is to vigorously develop an interconnected logistics system using railways,

⁵⁴ Joint Statement between the People's Republic of China and the Russian Federation on Deepening the Comprehensive Strategic Partnership of Coordination in the New Era, <u>https://www.fmprc.gov.cn/zyxw/202303/t20230322_11046188.shtml</u>

⁵⁵ Joint Statement by the Russian Federation and the People's Republic of China on Deepening Comprehensive Partnership and Strategic Cooperation, Entering a New Era, <u>http://kremlin.ru/supplement/5920</u>

⁵⁶ Joint Statement by the President of the People's Republic of China and the President of the Russian Federation on the Development Plan for the Key Directions of Sino-Russian Economic Cooperation by 2030, March 21, 2023, Google translation of original Chinese version,

https://www.mfa.gov.cn/zyxw/202303/t20230322_11046176.shtml?utm_source=substack&a mp;utm_medium=email

Volume IV, Issue 3 | March 2023



highways, air, river and sea transportation, improving infrastructure including construction of key ports, and improving customs clearance and inspection Third comes improved financial cooperation, including procedures. increasing the proportion of local currency settlement and strengthening cooperation between the rating agencies and insurance companies of the two Fourth is consolidating the all-round energy cooperation countries. partnership so as to maintain the energy security of both and to promote a global energy transformation. Fifth is strengthening cooperation in metallurgy, chemical fertilisers, chemical products and other bulk commodities and mineral resources. Sixth is promoting high-guality cooperation in technology and innovation. Seventh is promoting industrial cooperation to create new industrial chains involving local industrial enterprises in the two countries. The last is improving agricultural cooperation to ensure food security, as well as agricultural product trade cooperation. Taken together, these measures are expected to raise bilateral trade from \$ 190 billion in 2022 to over \$ 400 billion by 2030.

The impact of the agreements could be as momentous for global geopolitics as Nixon's outreach to China in the 1970's was. It marries Russia's vast energy and mineral supplies and advanced technology, including nuclear, to China's immense market and manufacturing capability, that too through continental routes that are beyond the reach of US maritime power, thus alleviating China's Malacca Dilemma to a considerable extent. It marks the creation of an alternate to the US dollar and the SWIFT mechanism for financial settlements, potentially eliminating the use of coercive economic sanctions. Moreover, China and Russia have begun exercising jointly through the Indo-Pacific, including recently off Africa and in the Gulf of Oman. The impact of their outreach to the Arab world is visible in the Saudi Arabia-Iran rapprochement⁵⁷. Russia has joined China in wooing Africa: at an international parliamentary conference in Moscow at the same time as the China-Russia Summit, Putin welcomed African political leaders and drew attention to the range of Russian investments taking place in Africa⁵⁸. He also pointed out that during the period the Black Sea gran deal was implemented, 45% of the grain exported from Ukraine went to well-fed European countries and only 3% went to Africa, even though the deal was presented as ensuring the interests of African countries⁵⁹.

⁵⁷ Joint Trilateral Statement by the People's Republic of China, the Kingdom of Saudi Arabia, and the Islamic Republic of Iran, March 10, 2023, <u>http://se.china-</u> embassy.gov.cn/eng/zgxw_0/202303/t20230311_11039241.htm

⁵⁸ International Parliamentary Conference Russia-Africa in a Multipolar World, http://en.kremlin.ru/events/president/news/70745

⁵⁹ Ibid.



Whether the China Russia Summit portends the end of Pax Americana as some are anticipating or not remains to be seen⁶⁰. It does effectively showcase a hardening of positions in Continental Asia and will lead to an increase in confrontation with the US-led West. It will complicate India's strategy of multi-balancing while retaining its strategic autonomy. But unless rising powers like India can find a way to convince the competing great powers to temper their positions, the Indo-Pacific is destined to become the frontline in yet another destructive global war.

Other Indo-Pacific Developments

Marine Biodiversity Agreement. Delegates to the Intergovernmental Conference on Marine Biodiversity of Areas Beyond National Jurisdiction (BBNJ), reached agreement⁶¹ on the text of a global treaty⁶² to ensure conservation and sustainable use of marine biological diversity on the High Seas, capping a process of negotiation that began in 2004. The agreement, when signed and ratified by UN members, will place 30% of the world's oceans into protected areas, put more money into marine conservation and cover access to and use of marine genetic resources. Hailed as a triumph for multilateralism and described as crucial for addressing the triple crisis of climate change, biodiversity loss and pollution, the agreement is an evolution of the UN Convention on the Laws of the Sea (UNCLOS) and provides that no State shall claim or exercise sovereignty or sovereign rights over marine genetic resources of areas beyond national jurisdiction. How this agreement will impact on China's claims in the South China Sea, or US reservations on economic exploitation of such resources in light of its refusal to sign UNCLOS because of its sea bed provisions, remains to be seen.

<u>AUKUS</u>. US President Joe Biden, British Prime Minister Rishi Sunak and Australian Prime Minister Anthony Albanese came together at San Diego on March 13, 2023 to jointly announce the path they had determined to provide

⁶⁰ See for example Pepe Escobar, "In Moscow, Xi and Putin bury Pax Americana, March 22, 2023, <u>https://thecradle.co/article-view/22818/columns?s=08</u>

⁶¹ UN delegates reach historic agreement on protecting marine biodiversity in international waters, March 05, 2023, <u>https://news.un.org/en/story/2023/03/1134157</u>

⁶² Advanced and Unedited Draft Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction, March 4, 2023, <u>https://www.un.org/bbnj/sites/www.un.org.bbnj/files/draft_agreement_advanced_unedite</u> d_for_posting_v1.pdf



Australia with SSN capability. An analysis of what this agreement means has been covered by the author separately⁶³.

<u>Democracy Summit</u>. Prime Minister Narendra Modi drew attention to the existence of democracy in India from ancient times at the leader level plenary of the Second Democracy Summit, citing references from the Mahabharata and the Vedas⁶⁴. He noted India's philosophies of 'Sabka Sath, Sabka Vikas", meaning "striving together for inclusive growth and 'Vasudhaiva Kutumbakam" meaning "One Earth, One Family, One Future". He highlighted that India was the fastest growing global economy, and was proof that democracy can deliver. Presidents Biden and Yoon jointly announced that South Korea would host the Third Summit for Democracy at a future date⁶⁵.

<u>Saudi Iran Rapprochement</u>. A Joint Statement released by China, Saudi Arabia and Iran on March 10 announced an agreement whereby, as a result of talks held at Beijing from March 6-10, the two Gulf nations would resume diplomatic relations and re-open their embassies and missions within a period not exceeding three months⁶⁶. They also agreed that ministers of foreign affairs of both countries would meet to implement this agreement. The three countries expressed their keenness to exert all effort towards enhancing regional and international peace and security. The announcement appeared to be an unwelcome surprise for the US, with the editors of a major US media outlet noting that notwithstanding his pride in his ability to build alliances, Mr Biden had muffed it and US adversaries were taking advantage⁶⁷.

⁶³ Lalit Kapur, "Deciphering AUKUS", DPG Policy Brief Volume VIII, Issue 13, March 21, 2023, <u>https://www.delhipolicygroup.org/uploads_dpg/publication_file/deciphering-aukus-4869.pdf</u>

⁶⁴ Remarks by Prime Minister Shri Narendra Modi at the Leader-level plenary of the second Summit for Democracy, March 29, 2023, <u>https://www.mea.gov.in/Speeches-</u> <u>Statements.htm?dtl/36421/Remarks_by_Prime_Minister_Shri_Narendra_Modi_at_the_Lead</u> <u>erlevel_plenary_of_the_second_Summit_for_Democracy</u>

⁶⁵ Joint Statement by President Biden and President Yoon on the Third Summit for Democracy, <u>https://www.whitehouse.gov/briefing-room/statements-</u> <u>releases/2023/03/29/joint-statement-by-president-biden-and-president-yoon-on-thethird-summit-for-democracy/</u>

⁶⁶ Joint Trilateral Statement by the People's Republic of China, the Kingdom of Saudi Arabia, and the Islamic Republic of Iran, <u>http://se.china-</u> <u>embassy.gov.cn/eng/zgxw_0/202303/t20230311_11039241.htm</u>

 ⁶⁷ Saudi Arabia Warms up to Iran, The Wall Street Journal, March 10, 2023, <u>https://www.wsj.com/articles/saudi-arabia-iran-mohammed-bin-salman-president-biden-ae6285f6</u>



India US Strategic Trade Dialogue. India and the US agreed to launch a Strategic Trade Dialogue⁶⁸ on March 9, 2023 during the visit of the US Secretary of Commerce Ms Gina Raimondo to India. The dialogue is to be led by the Foreign Secretary in the MEA and the Under Secretary, Bureau of Industry and Security in the US Department of Commerce. It will address export controls, explore ways of enhancing high technology commerce, and facilitate technology transfer between the two countries.

Japan Indonesia Ministerial Level Strategic Dialogue. Indonesia's Minister for Foreign Affairs met Hayashi Yoshimasa, Japan's Minister for Foreign Affairs in Tokyo on March 6 for the Japan-Indonesia Ministerial-Level Strategic Dialogue⁶⁹. Japan committed to extending cooperation for initiatives including maritime security and safety capability improvement, development of the Natuna Islands, infrastructure development and energy transition. It also explained its National Security Strategy, expressed the intention of promoting the realisation of a "Free and Open Indo-Pacific" and the ASEAN Outlook on the Indo-Pacific, and expressed support for Indonesia during its Chairmanship of ASEAN.

<u>Yemen</u>. After a ten-day meeting in Switzerland, parties to the conflict in Yemen concluded and finalised the implementation plan for the release of 887 conflict-related detainees from all sides on March 20⁷⁰. The parties also agreed to reconvene in May to discuss more releases and committed to undertake joint visits to each other's detention facilities, and to enable access to all detainees during these visits. The agreement brings the region one step closer to peace.

<u>US Canada Indo-Pacific Dialogue</u>. The United States and Canada held their first Indo-Pacific Dialogue on March 10⁷¹. The US team was led by Dr Kurt Campbell, the Coordinator for Indo-Pacific Affairs, while the Canadian side was led by Jody Thomas, National Security and Intelligence Adviser to the Prime Minister. The two sides discussed key trends shaping the region, identified new areas of

⁶⁸ Meeting of Minister of External Affairs with US Secretary of Commerce, March 9, 2023, <u>https://www.mea.gov.in/press-</u> <u>releases.htm?dtl/36338/Meeting_of_Minister_of_External_Affairs_with_US_Secretary_of_C</u> ommerce

⁶⁹ Japan-Indonesia Foreign Ministers' Meeting (Japan-Indonesia Ministerial-Level Strategic Dialogue), <u>https://www.mofa.go.jp/press/release/press1e_000386.html</u>

⁷⁰ Daily Press Briefing by the Office of the Spokesperson for the Secretary-General, March 20, 2023, <u>https://press.un.org/en/2023/db230320.doc.htm</u>

⁷¹ Statement by NSC Spokesperson Adrienne Watson on First US-Canada Indo-Pacific Dialogue, <u>https://www.whitehouse.gov/briefing-room/statements-</u> <u>releases/2023/03/11/statement-by-nsc-spokesperson-adrienne-watson-on-first-u-s-</u> <u>canada-indo-pacific-dialogue/</u>



economic, security, development and technology cooperation, and exchanged views on the challenges and opportunities facing the regional architecture.

North Korea Missile Launches. North Korea demonstrated cruise / ballistic missile launches on March 9, 13, 15, 18 and 26 March, generating concern among neighbours. USS Milius and JS Atago conducted a bilateral BMD exercise in the Sea of Japan on March 18, 2023⁷².

<u>US Budget Request</u>⁷³. The Biden Administration requested \$ 842 billion in discretionary budget authority for the Department of Defense and \$ 70.5 billion for the Department of State during FY 2024. The total budget outlay for 2024 was \$ 6,883 billion, with a deficit of \$ 1,846 billion. The request of \$ 842 billion for the Department of Defence was \$ 26 billion (3.2%) over FY 2023 and included \$ 9.1 billion for the Pacific Deterrence Initiative⁷⁴, but taking into account the inflation rate of 6%, it reflected a decrease in real terms. It amounts to 13% of government spending and 3% of the GDP.

<u>US Presidential Determination</u>. President Joe Biden determined on March 01 that airbreathing engines, advanced avionics position navigation and guidance systems and constituent materials for hypersonic systems were essential to the national defence⁷⁵ and that without Presidential action, US industry could not reasonably be expected to provide the additional investment required to produce them in a timely manner. He also determined that purchases, purchase commitments or other action were the most cost-effective, expedient and practical method to meet this critical industrial production capability. The determination waived the process and institutional safeguards to enable expansion of domestic production capacity for these systems.

⁷² US and Japan Conduct Bilateral Ballistic Missile Defense Exercise, <u>https://www.pacom.mil/Media/News/News-Article-View/Article/3335255/us-and-japan-conduct-bilateral-ballistic-missile-defense-exercise/</u>

⁷³ Budget of the US Government, Fiscal Year 2024, <u>https://www.whitehouse.gov/wp-content/uploads/2023/03/budget_fy2024.pdf</u>

⁷⁴ Department of Defense Releases the President's Fiscal year 2024 Defense Budget, <u>https://www.defense.gov/News/Releases/Release/Article/3326875/department-of-defense-releases-the-presidents-fiscal-year-2024-defense-budget/</u>

⁷⁵ Presidential Determination Pursuant to Section 303 of the Defense Production Act of 1950, as amended, on Airbreathing Engines, Advanced Avionics Position Navigation and Guidance Systems, and Constituent Materials for Hypersonic Systems, <a href="https://www.whitehouse.gov/briefing-room/presidential-actions/2023/03/01/presidential-determination-pursuant-to-section-303-of-the-defense-production-act-of-1950-as-amended-on-airbreathing-engines-advanced-avionics-position-navigation-and-guidance-systems-and-constitue/



<u>US National Cyber Security Strategy</u>. The Biden-Harris Administration released its National Cybersecurity Strategy on March 1⁷⁶. The strategy seeks, together with allies and partners, to make the US digital eco-system defensible, resilient and values-aligned. The strategy is structured around five pillars: defending critical infrastructure; disrupting and dismantling threat actors; shaping market forces to drive security and resilience; investing in a resilient future; and forging international partnerships to pursue shared goals.

<u>US Marines Return to Darwin</u>. Australia welcomed the 12th rotation of US Marine Rotational Force personnel to Darwin on March 22, 2023. The marines, who will be in Darwin till October 2023, will conduct combined training exercises with Australian Defence Force counterparts, as well as with other nations, during their deployment⁷⁷.

<u>China's Assertion of Claim to Senkaku Islands</u>. A day before the Yoon-Kishida summit, China's Coast Guard vessels entered the territorial waters of Senkaku Islands on March 15, 2023, to expel Japanese vessels it said had illegally entered the waters around Diaoyu Islands. The act was described as "a routine measure to safeguard national sovereignty and maritime rights and interests" ⁷⁸.

<u>Arms Seizure in Gulf of Oman</u>. Cooperation between a US drone and HMS Lancaster was reported on March 2, 2023 to have resulted in the seizure of Iranian versions of Russian anti-tank guided missiles and medium-range ballistic missile components⁷⁹. This was the seventh such seizure in the last three months on a route historically used to transfer weapons to Houthis in Yemen⁸⁰.

<u>South China Sea FONOP</u>. USS Milius conducted a Freedom of Navigation Operation (FONOP) in the vicinity of the Paracel Islands on March 24, 2023, asserting navigational rights and freedoms in the face of excessive claims by

⁷⁶ National Cybersecurity Strategy, March 2023, <u>https://www.whitehouse.gov/wp-content/uploads/2023/03/National-Cybersecurity-Strategy-2023.pdf</u>

⁷⁷ Australia welcomes United States Marines back to Darwin, <u>https://www.minister.defence.gov.au/media-releases/2023-03-22/australia-welcomes-united-states-marines-back-darwin</u>

⁷⁸ Coast guard explains Diaoyu Islands expulsion, <u>http://eng.mod.gov.cn/xb/News_213114/TopStories/16209659.html</u>

⁷⁹ HMS Lancaster seizes anti-tank missiles after high-speed chase in Gulf of Oman, <u>https://www.royalnavy.mod.uk/news-and-latest-activity/news/2023/march/02/20230302-hms-lancaster-arms-haul</u>

⁸⁰ US Forces Assist UK Seizure of Missiles Shipped from Iran, March 02, 2023, <u>https://www.navy.mil/Press-Office/News-Stories/Article/3315987/us-forces-assist-uk-seizure-of-missiles-shipped-from-iran/</u>

Volume IV, Issue 3 | March 2023



China, Taiwan and Vietnam⁸¹. China's Defence Ministry spokesperson described the action as "illegal" and "undermining peace and stability in the South China Sea^{"82}.

<u>US Indo-Pacific Military Sale Notifications</u>. The US Defense Security Cooperation Agency (DSCA) notified Congress of the intent to sell Japan five E-2D Advanced Hawkeye Airborne Early Warning and Control Aircraft at an estimated cost of \$1.381 billion⁸³. The DSCA also notified Congress of its intent to sell 255 Javelin missiles worth \$ 60.18 million⁸⁴ and up to 200 Tomahawk Bock V and 20 Tomahawk Block IV missiles costing \$ 895 million to Australia⁸⁵.

Joint Exercises. The Indian Army and the Indian Air Force participated in Exercises Dharma Guardian⁸⁶ and Shinyuu Maitri⁸⁷ respectively in Japan from February 13 to March 2, 2023. INS Trikand participated in the International Maritime Exercise and Exercise Cutlass Express, hosted by the US Naval Forces Central Command and US Naval Forces Europe-Africa respectively from February 26 to March 16, 2023⁸⁸. Units from the Indian and French Armies participated in the maiden Exercise FRINJEX-2023 in Kerala on March 768, 2023⁸⁹. Ships from the Indian and French Navies participated in a Maritime Partnership Exercise off Kochi on March 10611, 2023⁹⁰. INS Sahyadri also joined

⁸¹ 7th Fleet Destroyer conducts Freedom of Navigation Operation in South China Sea, <u>https://www.cpf.navy.mil/Newsroom/News/Article/3340874/7th-fleet-destroyer-conducts-freedom-of-navigation-operation-in-south-china-sea/</u>

⁸² Defence Ministry spokesperson remarks on US warship's illegal entry into waters off China's Xisha Islands, <u>https://www.cpf.navy.mil/Newsroom/News/Article/3340874/7th-</u> fleet-destroyer-conducts-freedom-of-navigation-operation-in-south-china-sea/

⁸³ Japan – E-2D Advanced Hawkeye (AAHE) Airborne Early Warning and Control (AEW&C) Aircraft, <u>https://www.dsca.mil/press-media/major-arms-sales/japan-e-2d-advanced-hawkeye-ahe-airborne-early-warning-and-control</u>

⁸⁴ Australia – Javelin FGM-148F Missiles, <u>https://www.dsca.mil/sites/default/files/mas/Press%20Release%20-%20Australia%2023-11%20CN.pdf</u>

⁸⁵ Australia – Tomahawk Weapon System, <u>https://www.dsca.mil/sites/default/files/mas/Press%20Release%20-%20Australia%2023-</u>02%20CN.pdf

⁸⁶ Indo Japan Joint Training Exercise "Dharma Guardian" to Commence at Camp Imazu in Shiga Province, Japan, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1899832</u>

⁸⁷ Exercise Shinyuu Maitri: Indian Air Force Transport Aircraft Exercise with the Japanese Air Self Defence Force, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1903417</u>

⁸⁸ INS Trikand Participates in International Maritime Exercise/ Cutlass Express 2023 (IMX/CE 23), <u>https://indiannavy.nic.in/content/ins-trikand-participates-international-maritime-exercise-cutlass-express-2023-imxce-23</u>

⁸⁹ Indo-France Joint Military Exercise FRINJEX-2023 to Commence at Thiruvanthapuram, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1904604</u>

⁹⁰ Maritime Partnership Exercise with French Navy, <u>https://indiannavy.nic.in/content/maritime-partnership-exercise-mpx-french-navy</u>



JS Suzutsuki in a Maritime Partnership Exercise on March 11, 2023⁹¹. Following this, INS Sahyadri and INS Jyoti participated in the third multilateral exercise La Perouse on March 13&14, 2023, along with ships from the Australian, British, French, Japanese and US Navies⁹². INS Trishul and HMS Lancaster participated in the annual Exercise Konkan from 20-22 March 2023⁹³. A P-8I from the Indian Navy participated in the multilateral coordinated ASW Exercise Sea Dragon 2023 at Guam from March 15 – 30, 2023, along with maritime patrol aircraft from the US, Canada, Canada and the Republic of Korea⁹⁴. Meanwhile, ships from China, Iran and Russia participated in the trilateral Exercise Maritime Security Belt 2023 in the Gulf of Oman from March 15-18, 2023⁹⁵. And ships from the US, Italian and Spanish Navies came together for a combined patrol in the Arabian Sea on March 23&24, 2023⁹⁶. The large number of international exercises reflects India's increased engagement in regional affairs.

Ship Visits. INS Vela, the fourth of India's Kalvari-class submarines, entered Salalah, Oman for OTR on February 28, 2023⁹⁷. French ships Dixmunde and La Fayette visited Kochi from March 6-10, 2023⁹⁸. Algerian Navy Ship El Moutassadi visited Mumbia from March 13-16, 2023⁹⁹, and INS Sumedha reciprocated by visiting Port Algiers on March 26, 2023 for an operational turn around¹⁰⁰. HMS Tamar, one of the RN OPVs permanently deployed to the Indo-Pacific, visited Chennai from March 17-29, 2023¹⁰¹. INS Sujata visited Maputo,

⁹¹ Maritime Partnership Exercise (MPX) with Japanese Maritime Self Defence Force, <u>https://indiannavy.nic.in/content/maritime-partnership-exercise-mpx-japanese-maritime-self-defence-force</u>

⁹² Exercise La Perouse – 2023, <u>https://indiannavy.nic.in/content/exercise-la-perouse-</u> <u>%E2%80%93-2023-1</u>

⁹³ Annual Bilateral Maritime Exercise Konkan 2023, <u>https://indiannavy.nic.in/content/annual-bilateral-maritime-exercise-konkan-2023</u>

⁹⁴ Exercise Sea Dragon 2023, <u>https://indiannavy.nic.in/content/exercise-sea-dragon-23</u>

⁹⁵ Trilateral Naval Exercise Involving Russia, China and Iran Kicks off in the Arabian Sea, <u>https://eng.mil.ru/en/news_page/country/more.htm?id=12457685@egNews</u>

⁹⁶ US Navy, EU Naval Forces Conduct Combined Patrol in Arabian Sea, <u>https://www.cusnc.navy.mil/Media/News/Display/Article/3340576/us-navy-eu-naval-forces-conduct-combined-patrol-in-arabian-sea/</u>

⁹⁷ INS Vela Entered Port Salalah, <u>https://indiannavy.nic.in/content/ins-vela-entered-port-salalah</u>

⁹⁸ Visit of French Navy ships to Kochi, <u>https://indiannavy.nic.in/content/visit-french-navy-ships-kochi</u>

⁹⁹ Visit of Algerian Navy Ship El Moutassadi to Mumbai – 13 to 16 March 2023, <u>https://indiannavy.nic.in/content/visit-algerian-navy-ship-el-moutassadi-mumbai-13-16-march-2023</u>

¹⁰⁰ Port Visit of INS Sumedha at Algiers, <u>https://indiannavy.nic.in/content/port-visit-ins-sumedha-algiers</u>

¹⁰¹ British Navy Warship HMS Tamar visited Chennai, <u>https://indiannavy.nic.in/content/british-navy-warship-hms-tamar-visited-chennai</u>

Volume IV, Issue 3 | March 2023



in Mozambique, from March 19-20, 2023¹⁰². Ships comprising the First Training Squadron, INS Tir and ICGS Sarathi, visited Port Louis, Mauritius from March 11-14, 2023¹⁰³, and Antsiranana, Madagascar, from March 20-23, 2023¹⁰⁴. HMS Lancaster visited Kochi on March 23, 2023¹⁰⁵.

<u>Repairs to USS Matthew Perry</u>. USS Matthew Perry, a Lewis and Clark-class dry cargo ship, became the second USN ship to undergo repairs at the L&T Shipyard, Kattupalli¹⁰⁶. The ship underwent repair from March 11 – 27, 2023. Utilisation of L&T Shipyard is implementation of the commitment made by Secretary Austin at the US-India 2+2 Ministerial Dialogue in Washington DC of April 2022. It also reduces the burden on US ship repair yards.

¹⁰² INS Sujata Visits Port Maputo, Mozambique, <u>https://indiannavy.nic.in/content/ins-sujata-visits-port-maputo-mozambique</u>

¹⁰³ First Training Squadron at Port Louis, Mauritius, <u>https://indiannavy.nic.in/content/first-training-squadron-port-louis-mauritius</u>

¹⁰⁴ The Ships of First Training Squadron Visit Antsiranana, Madagascar, <u>https://indiannavy.nic.in/content/ships-first-training-squadron-visit-antsirananamadagascar</u>

¹⁰⁵ Visit of Royal Navy Ship to Kochi, <u>https://indiannavy.nic.in/content/visit-royal-navy-ship-kochi</u>

¹⁰⁶ US Naval Ship Matthew Perry Returns to Indo-Pacific Waters After Voyage Repair in India, <u>https://www.pacom.mil/Media/News/News-Article-View/Article/3345215/us-naval-ship-matthew-perry-returns-to-indo-pacific-waters-after-voyage-repair/</u>



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